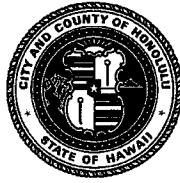


OFFICE OF THE MAYOR  
**CITY AND COUNTY OF HONOLULU**  
530 SOUTH KING STREET, ROOM 300 \* HONOLULU, HAWAII 96813  
PHONE: (808) 768-4141 \* FAX: (808) 768-4242 \* INTERNET: www.honolulu.gov



KIRK CALDWELL  
MAYOR

ROY K. AMEMIYA, JR.  
MANAGING DIRECTOR

GEORGETTE T. DEEMER  
DEPUTY MANAGING DIRECTOR

May 5, 2015

The Honorable Ernest Y. Martin  
Chair and Presiding Officer  
and Members  
Honolulu City Council  
530 South King Street, Room 202  
Honolulu, Hawaii 96813

RECEIVED  
CITY CLERK  
C & C OF HONOLULU  
2015 MAY -8 PM 12:27

Dear Chair Martin and Councilmembers:

Subject: Cost Items – Hawaii Fire Fighters Association, Bargaining Unit 11

Pursuant to Section 89-10(b), Hawaii Revised Statutes (HRS), I am submitting for your action a non-wage cost item adjustment for Hawaii Fire Fighters Association (HFFA) Bargaining Unit 11. The respective cost item is for the period effective July 1, 2015, to and including June 30, 2017.

According to Chapter 89, HRS, only cost items require Council action. Section 89-10(b), HRS, provides that,

*"The state legislature or the legislative bodies of the counties acting in concert, as the case may be, may approve or reject the cost items submitted to them, as a whole. If the state legislature or the legislative body of any county rejects any of the cost items submitted to them, all cost items submitted shall be returned to the parties for further bargaining."*

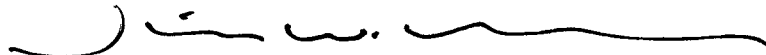
Furthermore, in accordance with HRS Section, 89C-3(b)(2), managers excluded from Bargaining Unit 11 shall be provided adjustments that result in compensation and benefit packages that are at least equal to the compensation and benefit packages provided under collective bargaining agreements for counterparts and subordinates within the employer's jurisdiction.

Attached is a summary of the cost item for Bargaining Unit 11 included and excluded managerial employees.

The Honorable Ernest Y. Martin  
Chair and Presiding Officer  
and Members  
May 5, 2015  
Page 2

Should you have any questions, please contact Carolee C. Kubo, Director of Human Resources and the City's designee for collective bargaining, at 768-8500.

Sincerely,

A handwritten signature in black ink, appearing to read "Kirk Caldwell", with a long horizontal flourish extending to the right.

Kirk Caldwell  
Mayor

Attachments

cc: Department of Budget & Fiscal Services



## RESOLUTION

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APPROVING COLLECTIVE BARGAINING COST ITEMS FOR THE INCLUDED AND EXCLUDED MANAGERIAL EMPLOYEES OF THE CITY AND COUNTY OF HONOLULU BARGAINING UNIT 11 (HAWAII FIRE FIGHTERS ASSOCIATION).

WHEREAS, Chapter 89, Hawaii Revised Statutes (HRS), establishes a statewide collective bargaining process for public employees; and

WHEREAS, pursuant to Section 50 (Hawaii Employer-Union Health Benefits Trust Fund) of the Bargaining Unit 11 Collective Bargaining Agreement, effective July 1, 2011 through June 30, 2017, the employers and representatives of Bargaining Unit 11 (Hawaii Fire Fighters Association) reopened negotiations on February 26, 2015, concerning Employer contributions to the Employer-Union Health Benefits Trust Fund (EUTF) for plan years 2015-2016 and 2016-2017; and

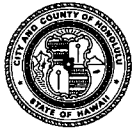
WHEREAS, the parties agreed to new Employer contribution amounts; and

WHEREAS, HRS Section 89C-3(b)(2) states that the Director of Human Resources shall formulate a recommendation for City Council approval which "Ensure(s) that adjustments for excluded civil service employees result in compensation and benefit packages that are at least equal to the compensation and benefit packages provided under collective bargaining agreements for counterparts and subordinates within the employer's jurisdiction"; and

WHEREAS, the new agreement makes adjustments to a cost item and is effective from July 1, 2015 through June 30, 2017; and

WHEREAS, pursuant to Section 89-10(b) and 89-11(g), HRS, the cost item is subject to appropriations by the respective legislative bodies; now therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that it approve the collective bargaining cost item for the Bargaining Unit 11 included and excluded managerial employees of the City and County of Honolulu, a summary of which is attached as Exhibit A; and



**CITY COUNCIL**  
CITY AND COUNTY OF HONOLULU  
HONOLULU, HAWAII

No. \_\_\_\_\_

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## RESOLUTION

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BE IT FINALLY RESOLVED that copies of this Resolution be transmitted to the Mayor and Director of Human Resources of the City.

INTRODUCED BY:

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DATE OF INTRODUCTION:

\_\_\_\_\_  
Honolulu, Hawaii

\_\_\_\_\_  
Councilmembers

## COLLECTIVE BARGAINING REPORT TO CITY COUNCIL AGREEMENT FOR BARGAINING UNIT 11

On February 26, 2015, the employers of Bargaining Unit 11 (HFFA) reopened negotiations on the subject of Employer contributions to the Employer-Union Health Benefits Trust Fund (ETUF) for plan years 2015-2016 and 2016-2017. The parties agreed to new Employer contribution amounts, which covers the following City employees (as of March 31, 2015):

Bargaining Unit	Included	Excluded	Total
11 – Firefighters	1,000	-0-	1,000

### Excluded Managerial

In accordance with HRS Section 89C-3(b)(2), managers excluded from Bargaining Unit 11 shall be provided adjustments that result in compensation and benefit packages that are at least equal to the compensation and benefit packages provided under collective bargaining agreements for counterparts and subordinates within the employer's jurisdiction.

### Excluded Managerial Positions in the City and County of Honolulu (as of March 31, 2015)

Bargaining Unit	Total
EM – Excluded Managerial	26

### Summary of Agreement:

#### I. Duration

The new agreement over Employer contribution amounts to the EUTF is effective from July 1, 2015 through June 30, 2017.

#### II. EUTF

Effective July 1, 2015, the Employer will pay specific dollar amounts for the PPO and HMO plans which are equivalent to the Employer Contribution rates from the previous year plus an increase of \$10, \$20 or \$30, for the self-only, two-party and family rates, respectively. The Employer will pay specific monthly contributions which are generally equivalent to 60% of the premium cost and 60% of the administrative fees for all other plans except the life insurance plan (for which the Employer shall 100% of the premiums and fees).

Effective July 1, 2016, the Employer will pay specific dollar amounts for the PPO and HMO plans which are equivalent to the Employer Contribution rates from the previous year plus an increase of \$10, \$20 or \$30, for the self-only, two-party and family rates, respectively. The Employer will pay specific monthly contributions which are generally equivalent to 60% of the premium cost and 60% of the administrative fees for all other plans except the life insurance plan (for which the Employer shall 100% of the premiums and fees). The estimated increase to EUTF costs for Unit 11 is as follows:

FY 2016	FY 2017
\$390,303	\$722,074